

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey, Division Director
Oil Conservation Division



April 29, 2014

Apache Corp
Attn: Mr. David Catanach

ADMINISTRATIVE NON-STANDARD LOCATION ORDER

Administrative Order NSL-7068
Administrative Application Reference No. pMAM1410642532

Apache Corp
OGRID 873
Tony Federal Well No. 48
API No. 30-015-41989

Proposed Location:

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Section</u>	<u>Township</u>	<u>Range</u>	<u>County</u>
Surface	1650 FSL & 800 FWL	3	18	17S	31E	Eddy
Bottom Hole	1650 FSL & 990 FWL	3	18	17S	31E	Eddy

Proposed Unit:

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
NW/4 SW/4 of Section 18	32.2	Cedar Lake; Glorieta-Yeso	96831

Reference is made to your application received on April 16, 2014.

You have requested to drill this well at an unorthodox oil well location described above in the referenced pool or formation. This location is governed by statewide Rule 19.15.15.9.A NMAC, which provides for 40-acre units with wells located at least 330 feet from a unit or lot outer boundary. This location is less than 330 feet from a lot outer boundary.

Lot 3 of Section 18 is an irregular Section comprising of 32.2 acres. The dimensions of this irregular Section are 1320 feet high, and 1063 feet wide, thereby making the bottom-hole location of this well which is 1650 feet from the South line and 990 feet from the West line unorthodox.

Your application has been duly filed under the provisions of Division Rules 19.15.15.13 NMAC and 19.15.4.12.A (2) NMAC.

It is our understanding that you are seeking this location to avoid pipelines and sand dunes in the area.

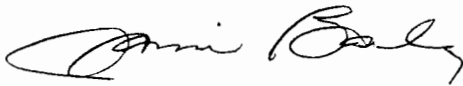
It is also understood that notice of this application to offsetting operators or owners is unnecessary due to identical ownership.

Pursuant to the authority conferred by Division Rule 19.15.15.13 (B) NMAC, the above-described unorthodox location is hereby approved.

This approval is subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 19.15.5.9 NMAC.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Done at Santa Fe, New Mexico, on April 29, 2014.

A handwritten signature in black ink, appearing to read "Jami Bailey", with a stylized, cursive script.

Jami Bailey
Director

JB/mam

cc: New Mexico Oil Conservation Division – Artesia
Bureau of Land Management-Carlsbad